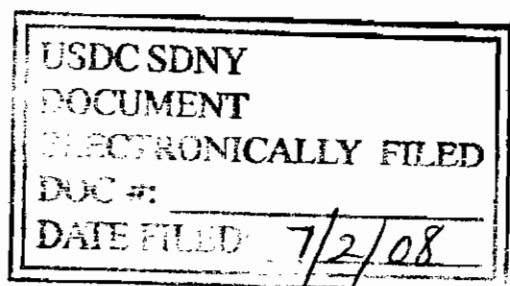


Thacher Proffitt

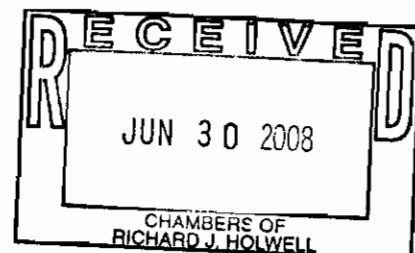


Thacher Proffitt & Wood LLP
Two World Financial Center
New York, NY 10281
212.912.7400

Fax: 212.912.7751
www.tpw.com

Direct Dial: 212.912.8375
pboyle@tpw.com
Admitted in NY, NJ

June 30, 2008



BY FACSIMILE

The Honorable Richard J. Holwell, U.S.D.J.
United States District Court
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street
New York, New York 10007-1312

Re: *Citigroup Global Markets Realty Corp. v. Accredited Home Lenders, Inc.*
Case No.: 08-CV-3545 (RJH) (DCF)

Dear Judge Holwell:

We represent Plaintiff Citigroup Global Markets Realty Corp. in the referenced matter. We write to respond to today's letter from Defendant opposing Plaintiff's request (by letter dated June 27, 2008) for the Court to extend the deadline for Plaintiff to freely amend its Complaint by three weeks, from July 9, 2008 to and including July 30, 2008. As set forth in our June 27, 2008 letter, the proposed extension would affect only the timetable for the filing of papers in support of Defendant's planned motion to dismiss (from August 8, 2008 to August 29, 2008), Plaintiff's opposition to that motion (from September 8, 2008 to September 29, 2008) and Defendant's reply (from September 22, 2008 to October 13, 2008). The extension requested by Plaintiff would not change any of the other dates established in the Scheduling Order entered during the Initial Scheduling Conference.

The additional time Plaintiff seeks is not "to search for more facts to support existing fraud claims or to develop new ones," as Defendant puts it, although we note that at the Initial Scheduling Conference, the Court granted Plaintiff leave to freely amend the Complaint, so that the Amended Complaint certainly could articulate additional facts or claims. Rather, Plaintiff seeks additional time for the reasons set forth in its June 27, 2008 letter: to illustrate – concisely, accurately, and with the specificity requested by Accredited – how Defendant misrepresented the particular data relating to hundreds of mortgage loans.

Further, and as noted in the undersigned's June 25, 2008 e-mail to counsel for Defendant (attached as "Attachment A" to Defendant's June 30, 2008 letter), Plaintiff's individual representatives who are responsible for approving the Amended Complaint before it is filed have upcoming vacations that will make the July 9, 2008 deadline difficult.

The Honorable Richard J. Holwell, U.S.D.J.
June 30, 2008

Page 2.

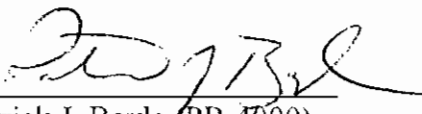
To clarify the record with respect to the brief history of extensions of time in this matter, Plaintiff filed its Complaint in New York State Court, and following Defendant's removal of the action to this Court, Plaintiff gave its consent to Defendant's applications for two month-long extensions of the time for Defendant to answer, essentially holding the litigation in abeyance with the understanding that the parties would engage in discussions aimed at resolving the parties' differences. To be clear, the reason Plaintiff would not consent to a third month-long extension was because Defendant's in-house counsel failed to discuss the matter with Plaintiff's in-house counsel as had been expected. (See Exhibit 1, June 9, 2008 E-mail Correspondence Between and Among Messrs. Lipman, Boyle and Cooney.)

Given that Defendant identifies no prejudice that would explain its opposition to the requested extension, we respectfully request that the Court grant a three week extension of the time for Plaintiff to amend its Complaint, until July 30, 2008, as set forth in our June 27, 2008 letter.

We thank the Court for its consideration.

Respectfully submitted,

THACHER PROFFITT & WOOD LLP

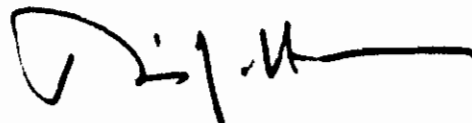
By 
Patrick J. Boyle (PB-4000)

Attachment

cc: Alex Lipman, Esq.
Jenner & Block LLP
Counsel for Defendant
Accredited Home Lenders, Inc.

Application Granted

SO ORDERED



USDJ

7/1/08

Cooney, William M.

From: Boyle, Patrick J.
Sent: Monday, June 09, 2008 12:22 PM
To: 'ALipman@jenner.com'; Cooney, William M
Cc: 'BFischer@jenner.com'; 'RZiegler@jenner.com'; 'BSteiner@jenner.com'; 'EGenn@jenner.com'
Subject: Re: Our phone call today.



Alex:

I agree that it was left very clear that Chaise was to call Jim Goddard. Likewise, it was very clear that we were going to receive the high cost response last week, which also would have helped. At this point, Chaise calling Goddard is Accredited's only way to obtain another extension. Otherwise, Goddard has informed us this morning that he is not inclined to grant a further extension with so little discussion having occurred on the merits, which was the only supposed purpose of the extensions in the first place. Hopefully, this call can be successfully accomplished. If not, we will certainly need to get the case underway in any event.

Patrick

Patrick J. Boyle
 Tnacher Proffitt & Wood LLP
 Two World Financial Center
 New York, NY 10281
 Direct: 212.912.8375
 Fax: 212.912.7751
 pboyle@tpw.com
 www.tpw.com

----- Original Message -----

From: Lipman, Alex <ALipman@jenner.com>
To: Cooney, William M.; Boyle, Patrick J.
Cc: Fischer, Brian J. <BFischer@jenner.com>; Ziegler, Richard F. <RZiegler@jenner.com>; Steiner, Barbara S <BSteiner@jenner.com>; Genn, Elisabeth <EGenn@jenner.com>
Sent: Mon Jun 09 12:07:18 2008
Subject: RE: Our phone call today.

Bill,

I did not understand that a call from Chaise Bivin to Jim Goddard was in any way a precondition to your agreement to an extension. As for the letter about high cost loans, we are still working on that. As you know, the determination of what constitutes a high cost loan can be complicated and time consuming, and we want to make sure we get it right. In any event, we would appreciate an extension and, of course, we would extend the same courtesy to you in the future, should you require an extension. Please let me know as soon as possible whether you would agree to one. Thank you.

We are available at 11:00 on Wednesday.

Alex.

From: Cooney, William M. [mailto:WCooney@tpw.com]
Sent: Monday, June 09, 2008 11:06 AM
To: Lipman, Alex; Boyle, Patrick J.
Cc: Fischer, Brian J.; Ziegler, Richard F.; Steiner, Barbara S; Genn, Elisabeth
Subject: RE: Our phone call today.

Alex,

Further to Patrick's voicemail to you, and our discussion last Wednesday, Chaise Bivin was to have called Jim Goddard of Citi to raise the proposed thirty day extension with him directly in the context of settlement discussions and the progress the parties could expect to make on that front if the extension were to be consented to by Citi and granted by the Court. Our understanding is that Mr. Bivin has not called Mr. Goddard to have this discussion, which is a necessary precondition to Citi's considering whether to agree to another thirty day extension of the answer deadline.

Also, you advised on Wednesday that you were close to completing and sending to us a letter setting forth Accredited's position on the high cost loans, which we have not received.

Finally, Patrick and I are available to have our "meet and confer" on Wednesday morning. Let's say 11:00 am if that works for you.

Regards,

William M. Cooney, Esq.
Thacher Proffitt & Wood LLP
Two World Financial Center
New York, New York 10281
Direct Dial: 212.912.7604
Fax: 212.912.7751

From: Lipman, Alex [mailto:ALipman@jenner.com]
Sent: Monday, June 09, 2008 10:18 AM
To: Boyle, Patrick J.; Cooney, William M.
Cc: Fischer, Brian J.; Ziegler, Richard F.; Steiner, Barbara S; Genn, Elisabeth
Subject: Our phone call today.

Patrick and Bill,

As it turns out, today is not a good day for our phone call. Can we speak first thing Wednesday morning? I am available all morning, so any time would work. Also, have you heard back from your client about our proposal to ask the Court for another 30-day extension of time for AHL to respond to Citi's Complaint? Please let us know as soon as you can, so we can file a timely application. Thank you.

Alex.

Alex Lipman
Partner
Jenner & Block LLP
919 Third Avenue
37th Floor
New York, NY 10022-3908
Tel (212) 891-1605
Fax (212) 891-1699
ALipman@jenner.com
www.jenner.com <<http://www.jenner.com/>>

CONFIDENTIALITY WARNING: This email may contain privileged or confidential information and is for the sole use of the intended recipient(s). Any unauthorized use or disclosure of this communication is prohibited. If you believe that you have received this email in error, please notify the sender immediately and delete it from your system.

Thacher Proffitt

Thacher Proffitt & Wood LLP
Two World Financial Center
New York, NY 10281
212.912.7400

Fax: 212.912.7751
www.tpwlaw.com

June 30, 2008

MESSAGE TO:

Name:	Company:	Facsimile:	Phone:
Hon. Richard J. Holwell, U.S.D.J.	United States District Court	(212) 805-7948	(212) 805-4634
Alex Lipman, Esq.	Jenner & Block LLP	(212) 891-1699	(212) 891-1605

MESSAGE FROM:

Name:	Patrick J. Boyle
Telephone:	212.912.8375
Fax Number:	212.912.7751

Total number of pages sent (including this cover sheet): 3

IF YOU DID NOT RECEIVE THE NUMBER OF PAGES SHOWN ABOVE, OR IF ANY COPIES ARE ILLEGIBLE, PLEASE CALL
PATRICK J. BOYLE AT: (212) 912-8375

MESSAGE:

The information contained in this facsimile message is intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient or is the employee or agent responsible for delivering it to the intended recipient, the reader is hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this message in error, please notify us by telephone immediately and return the original message to us at the above address via the U.S. Postal Service. Thank you.